

May 2004

From the Commissioner:

## **Consumer protection tops the OIC priority list**

2003 was a busy and gratifying year for the Office of the Insurance Commissioner. The OIC's Consumer Advocacy staff responded to more than 85,000 telephone calls from consumers, recovered nearly \$11 million for aggrieved policyholders and resolved or closed nearly 7,000 consumer complaint files.

On the business side, the 1,350 insurance companies transacting business in Washington were able to take advantage of the agency's full-service electronic filing system. For the second year, companies were able to file their premium tax forms on-line, generating \$300 million for the state's General Fund. In addition, we expanded the system in 2003, offering companies the option of paying those taxes on-line as well. A total of 72 companies took advantage of that option, and we expect to expand those numbers in the coming years.

Similarly, companies are able to file their quarterly and annual statements on-line as well, resulting in considerable savings of time and effort. An added advantage is that the filings are posted on the OIC Web site and available to the public within minutes of the filing. Processes that are now measured in seconds and minutes previously required months of handling and processing by OIC staff.

In addition to these important consumer protection and company supervision tasks, the OIC also is called upon at times to fulfill a valuable regulatory role. The OIC currently has three Washington-based companies under its control as the court-appointed receiver. The companies, a Bremerton health insurer, a medical liability carrier in Bellevue and a life insurer in Spokane, are in various stages of rehabilitation under the OIC's direct control.

I also want to mention the months of important work that the Let's Get Washington Covered Task Force performed during 2003. Last spring, the OIC convened the task force, a diverse group of 18 individuals from all corners of the health care community in pursuit of health insurance reform.

The group's work helped the OIC draft a legislative proposal that, unfortunately, failed to pass the Legislature. Despite that setback, next year we plan to rejoin the battle to insure more individuals and make health insurance more affordable. It's a crusade I promise to pursue, and I'll keep you informed.

As this report goes to press, my office is wrapping up a two-year process reviewing the application of the state's largest health insurer to convert to for-profit status. I expect to announce a decision in July.

We have a busy agenda with lots of items affecting thousands of lives, but we look forward to our continued stewardship of the insurance-buying public's interests.

Sincerely,

